



Legislative Session Focuses on Jobs, Schools, Governing Responsibly

Enacts Balanced Budget, Governor's Legislative Priorities

DOVER – Capping a legislative session that saw his  legislative priorities implemented, Governor Jack Markell Saturday night signed a balanced budget that supports the goals he set forth in his State of the State address: capitalizing on our economic strengths, creating and supporting the workforce of tomorrow through stronger schools, governing responsibly and enhancing Delawareans quality of life.

“This session provided an opportunity for us to build on our existing strengths and to make sound choices to keep Delaware moving forward,” said Markell. “We created more opportunities to put Delawarean’s back to work, invested in our classrooms and our students and we stayed fiscally responsible while remaining committed to the safety and well-being of all Delawareans.”

The Governor thanked legislators for their efforts, which wrapped up after midnight.

 “Our strength resides in the capacity of our people, even in challenging times, to work with a common purpose,” said Markell. “I want to thank our legislators for, once again, putting aside their differences and partisanship and instead focusing on how we can create a greater State in which to work, live and visit.”

Two significant achievements during this legislative session focused on increasing government transparency. With broad

bipartisan support, the [Lobbying Disclosure Bill](#) (SB 185) shines critical sunlight on the lawmaking process and dramatically expands disclosure requirements for lobbyists. Similarly, the [Delaware Elections Disclosure Act](#) (HB 300/310) requires prompt reporting of third-party spending on advertisements during an election season days before they go to the polls. The Act also enhances disclaimer requirements for third parties.

Legislative Highlights

The 2012 Legislative Session saw Governor Markell's legislative priorities pass, including:

Creating more jobs.

- The FY 2013 budget bill, signed by Governor Markell, fully funds the Strategic Fund, which last year helped several successful companies expand their business in Delaware. Examples of strategic fund investments include:
 - [JP Morgan Chase](#) plans to expand its operations in Delaware and add up to 1,200 new jobs in the state. The proposed expansion is one of many announcements of job creation in Delaware's financial services industry this year. In February, [Citibank](#) celebrated the grand opening of its new facility in Wilmington, where 260 people will be employed. [Bank of America](#) committed to adding more than 500 jobs over the next three years. M&T Bank is [building a new data center in Millsboro](#) adding 50 more jobs to its 450 current workforce there. [Capital One](#) plans to expand by 500 jobs in Delaware, as part of a proposed agreement that was announced last fall. Also supported through a FY12, \$1 million investment from the Strategic Fund is the Delaware Rural Irrigation Program (DRIP). DRIP is an [economic](#)

[development and agricultural loan program launched this fiscal year](#) that will help provide irrigation to more than 850 acres of Delaware farmland. [Bloom Energy](#), which will build its first East-Coast manufacturing center on the 272-acre site formerly occupied by a Chrysler assembly plant, and now owned by the University of Delaware. Additionally, [Amazon](#) is in the process of building a 1 million-square-foot fulfillment center in Middletown, which will bring over 850 jobs to the area.

- Significant progress was also made on important efforts through bipartisan legislative support and authorization. They include:
 - [Executive Order #36, which the Governor signed this spring](#) to tackle outdated, ineffective and redundant regulations while giving a boost to small business.
 - The [Veterans Opportunity Tax Credit](#) (HB 275), a new effort to help put recent combat veterans to work when they return from service. It gives companies a \$1,500 annual tax credit for each recent veteran they hired.
 - The Governor also [signed an agreement with local municipalities to reduce municipal electric rates, therefore attracting new jobs in Delaware.](#) The memorandum, which was also signed by Patrick McCullar, President and CEO of the Delaware Municipal Electric Corporation (“DEMEC”), and the Mayors or town officials of Newark, New Castle, Middletown, Clayton, Smyrna, Dover, Milford, Lewes and Seaford, underscores their shared commitment toward making municipal energy rates more competitive in order to spur job creation, while preserving the core functions and services provided to residents and businesses in the

municipal service territories.

- The budget supports the Delaware Young Farmers Program, a no-interest loan program launched in July 2011 as a way to reduce the capital investment for young people looking to set up agribusiness operations. New farms will be started as a result of the program's first year.
- To protect jobs at our state's three racinos, the Delaware Gaming Competitiveness Act of 2012 (HB 333) improves the ability of the Delaware Lottery and Delaware's video lottery agents to offer services to lottery players in an increasingly competitive marketplace. The Act authorizes internet gaming under the control and operation of the Delaware Lottery.
- FY 2013 budget funding for employment and training to support workforce investment and job search efforts; and funding to increase participants in the Department of Labor's Summer Youth program.
- Investing in our state's infrastructure is critical to getting people to work and products to customers. The budget makes a strong commitment to that end. Projects finished with last year's appropriations included:
 - The re-opening of the I-95 Toll Plaza and the establishment of High-Speed E-Z Pass Lanes, a \$32 million project fully funded through the American Recovery and Reinvestment Act.
 - Opening the Indian River Inlet Bridge to passenger traffic. The \$150 million bridge was erected by Skanska Southeast under a design-build contract with DelDOT. Sixty Delaware business have been suppliers to the project. The bridge is 2,600 feet long, 108 feet wide and situated 45 feet above the inlet.
 - Support for the Newark Regional Transportation Center Station Improvement Project, which puts

Delaware on a fast track for economic growth while protecting and improving our quality of life.

Making our schools stronger and more competitive.

- Statewide investments in FY 2012 to strengthen Delaware's public school system have resulted in significant gains.
 - The budget continues to support investments in early childhood education, including matching last year's new, \$22 million investment, which was a key factor in Delaware [receiving \\$49 million through the federal Race To The Top – Early Learning Challenge Grant](#). The money will allow Delaware to raise the percentage of high-need children in quality-rated early childhood programs from 20% to nearly 80% over the next four years.
 - The budget supports progress in strengthening student achievements. This past spring, the Governor along with DOE Secretary Mark Murphy announced [preliminary results](#) from the Delaware Comprehensive Assessment System (DCAS), which show statewide student gains in reading and math in every grade band.
 - In addition to monetary investments, Governor Markell also invested in educators, [signing two bills into law](#) this legislative session that will help districts recruit great teachers. SB 164, sponsored by Sen. Dave Sokola and Rep. Terry Schooley, gives school districts confidence to offer jobs earlier in the year to quality teachers, extending the program another two years. HB 239, also sponsored by Rep. Schooley and Sen. Sokola, extends for three years the state's authorization in the Teach For America program, offering incentives to place some of the country's brightest college graduates in the toughest

schools.

- Budgetary Highlights in education for FY 2013
 - \$27.4 million in Education Sustainment Fund to maintain funding level from loss of Federal Education Jobs Fund Act support.
 - \$8.7 million to maintain school classroom size and fully fund unit count (111 units); and fund step increases for School District and Delaware Tech employees and to fund increases for Paraprofessionals.
 - \$1.5 million in School Improvement Funds to support grants to low achieving non-Title I schools in accordance with the waiver for No Child Left Behind (NCLB).
 - \$920,000 to fully fund the Student Excellence Equals Degree (SEED) and Inspire Scholarship Program for Higher Education.
 - HB 317, which provides that the Department of Education establish a statewide readiness tool that will review a child's readiness for learning when they enter kindergarten. The tool will be phased in starting in fall 2012 with statewide implementation no later than fall 2015.
 - SB 233, which requires the Department of Safety and Homeland Security to work with schools, districts and first responders to develop a comprehensive school safety plan for each public school and district. The FY 2013 budget includes \$400,000 to fund the development of school safety plans.

Enhancing the safety and quality of life for Delawareans and its visitors

- A new investment for FY13 of \$13.3 million will go to enhance statewide trails and pathways, an important investment in positioning Delaware as a desirable place

to live.

- A \$20 million investment in the FY13 budget in Open Space and Agricultural Land Preservation. Last year's investment in these projects yielded:
 - The purchase of [339 Acres of Sussex County](#) forestland that will now be part of the 12,400-acre Redden State Forest near Georgetown. This purchase marks the latest phase of the multi-year Green Horizons Project to protect working forests, water quality, and wildlife habitat in key environmental regions on the Delmarva Peninsula. The U.S. Forest Service's Forest Legacy Program provided 75 percent of the funding and the Delaware Open Space Program contributed 25 percent.
 - The launch of the [Delaware Bayshore Initiative](#), part of the national vision for America's Great Outdoors, which will enhance and promote the Bayshore area as a world-class conservation and low-impact recreation area, strengthen historic local communities, and improve the quality of life for all Delawareans.
 - The [preservation of 100,000 acres of farmland](#), a milestone that protects a fifth of all agricultural land in the state. The average farm size in the program is 159 acres, at an average cost of \$1,741 per acre.
- Support for housing, including \$3.0 million for [State Rental Assistance Program \(SRAP\)](#) to meet increasing demand. The program assists low-income individuals who require affordable housing and supportive services to live safely and independently in the community. Within the first five months of the program, 129 applications were received and 88 SRAP vouchers were approved. Governor Markell and Attorney General Beau Biden also [unveiled a plan](#) that will use the funds the state is receiving from the National Mortgage Foreclosure

Settlement to help Delawareans who have been hurt by the housing crisis.

- Operational Achievements/Highlights

- In an effort to protect the financial safety of Delawareans, the Governor signed a bill (HB 289) that limits the number of so-called payday loans; changes the definition of a short-term loan; establishes a database to track the number of short-term consumer loans an individual obtains over the course of a year and calls for the Banking Commissioner to provide a report on the prevalence of these loans to the General Assembly.
- SB 226, which implements the recommendations of the Justice Reinvestment Task Force created by Executive Order No. 27. It promotes informed decision-making in the criminal justice system by institutionalizing the use of evidenced-based practices in decisions concerning bail, rehabilitation and probation supervision and helps ensure scarce resources are focused on higher-risk offenders.
- The passing of SB 160 made permanent a ban imposed last September on a class of designer drugs popularly known as “bath salts.” [The new law](#) also gives police and prosecutors more flexibility in dealing with the dangerous drugs.

Governing Responsibly & Transparency



- Serving as good fiscal stewards of public dollars is a key component of governing responsibly. The FY 2013 Budget Bill highlights Governor Markell’s ongoing commitment towards this effort. For example, the FY13 operating budget:
 - Only appropriated 98% of revenue.
 - Fully funded Rainy Day Fund.

- Adhered to three-part debt limit.
- Maintained AAA-bond rating.
- Invested one-time revenues in infrastructure and economic development.
- Budgetary Highlights for FY 2013 included funding for:
 - Medicaid to address caseload and inflationary growth.
 - The Department of Health and Social Services to support additional community placements and community housing supports.
 - Contributions to the State's OPEB Trust Fund.
 - The Department of Health and Social Services, Division of Developmental Disabilities Services to support additional community placements and special school graduates.
 - The Department of Services for Children, Youth and Their Families to meet increasing demand for inpatient mental health services.
 - The Elder Tax Relief and Education Expense Fund.
 - The Department of Agriculture for Poultry Disease Research and the Diagnostic Poultry Program.
 - An investment in Agricultural Lands Preservation, including the Delaware Young Farmer Program.
 - The Drinking Water State Revolving Fund, leveraging federal funds as well.
 - The Clean Water State Revolving Fund, leveraging \$6.5 million in federal funds.
 - Funds will also support additional State Police vehicles for the Department of Safety and Homeland Security; new Troop 3 in Camden and new Troop 7 in Lewes; and new kitchen construction for Howard R. Young Correctional Institution.